

Abraham Questions and Answer session with the media

Abraham: We had an opportunity to spend a little more time with some of the workers in the last couple of hours and I took advantage of it, so I apologize for our delay.

Why don't I just say that I'm very much enjoying my first trip to Los Alamos. My purpose in coming was to listen and learn about the various projects and programs going on here to better inform myself about the activities we've launched, both in terms of our military as well as our civilian missions. We work, obviously, very closely with this facility and the other labs in our complex—I think they're the crown jewels in terms of America's science investments and we're very proud of the work that's not only been done historically here, but also that continues today.

John Gordon, our administrator for the National Nuclear Security Administration has been with me and he and I have been working very closely together since my arrival about 90 days ago as secretary to identify the challenges ahead. And we're working on a joint basis—our department with the National Security Council, with the Department of Defense and other relevant agencies -- in a variety of reviews ... aimed at making long-range strategic decisions as to America's nuclear forces, as to the needs for our stockpile, with relationship to our nonproliferation and counter proliferation programs.

The results of those reviews will drive the policies that will, in turn, drive the budgets of the future. When the President was running, he and Vice President Cheney made a clear statement with respect to national security matters that help is on the way. These studies and reviews are the first part of that effort and I think they will translate into a variety of strategic decisions that will lead, in the future, to very significant work that will continue to be done here at this facility and at our other labs.

If there are some questions, I'll be glad to answer them.

Bob Clark, KRSN: Mr. Secretary, President Bush's budget project some cuts, particularly to this Laboratory. To what extent were you involved in that process? Do you agree with Mr. Bush's budget?

Abraham: Well, we actually increased our commitment to defense stockpile work by 14 percent. We made a major increase in our cyber-security programs, our directed stockpile work and, in fact, the area of the budget of the department that was increased the most significantly was our defense programs area. In some of the areas that relate to NNSA activities, we are, as I said, taking a pause to complete a series of reviews which I think will translate into, if not in this year's budget, certainly by next year, in terms of budget commitments in the areas that affect Los Alamos, as well as our other labs. We weren't going to just keep the old policies moving forward. Our idea is to conduct a kind of global review and then determine, on the basis of those reviews, where the budgets of the future ought to be. Policy needs to drive the budgets and that's what we'll be doing.

Jennifer McKee, Abq. Journal: The environmental budget was also cut pretty heavily here at Los Alamos. Could you explain the rationale behind that?

Abraham: Well, the actual overall environmental management budget of the department is reduced from last year. When I first arrived on the job I was extremely disappointed to learn that our plans with respect to environmental cleanup called for us to spend over \$300 billion over a 70-year period of time to do cleanup work at sites across the country. Only two sites—the Fernald site in Ohio and the Rocky Flats site in Colorado had clear cleanup completion targets in the near future. I was further concerned and am concerned about an ongoing series of critiques that have been aimed at the way we do our cleanup programs; that they take too long, that they run over budgets and so on. Therefore, what we decided to do was to take this year's budget numbers and apply them on the basis of some priorities: one, to keep the sites that are headed towards a fairly quick completion on-track to address some of the most significant challenges we face across the country, such as the tank leakage problems in Richland, Washington, to address other immediate health and safety challenges and then to initiate a top to bottom review of the way these programs work.

With a goal of trying to change the structure of these programs so that we aren't talking about 70-year time frames and huge amounts of expenditures to just stand in place. That isn't the way we ought to do it. Where we didn't have clear, targeted completion points—the Albuquerque component being one of those examples—we are certainly moving forward, but those are the ones I want to bring into a much more comprehensive kind of an approach when we finish this review. In my judgement, that's what we need to do. I just don't think that's appropriate. I'm sure the communities are unhappy with the progress that's made when there's not even a completion date. It's not something that I feel is acceptable and so I want to have us reevaluate those programs so that when we're spending \$6 billion of the tax payers money every year, we're making significant forward progress with respect to actual cleanup. That ought to be the goal of the program.

Barry Massey, Associated Press: Mr. Secretary, would one of your messages be, to Lab officials as well as employees, that this year's budget is somewhat (transitional) in nature and that in terms of defense-related (activities), the core mission here, that they can expect increases in the coming years?

Abraham: I don't think it's appropriate to jump ahead of the game here. I think it's pretty clear that last year -- let me take a step back. When I was still in the Senate, I worked with Senator Domenici and others to support the NNSA legislation which has finally given us the kind of managerial approach we need within the department to bring the defense programs together under a single managerial division and quasi-independent operation within the department, which is headed by an outstanding administrator, John Gordon. He began his work last summer and fall when he assumed his job to begin looking, in terms of long-range needs, whether it was for infrastructure or for programs that related to our certification of our stockpile stewardship science-based programs. We've already begun some of those. As you are well aware the plutonium pit production work that's going on here, the National Ignition Facility work that is going on in

California. When a new administration comes into office I think it has a responsibility and we're engaging in that responsibility now to take a global look at our defense programs and needs for the long-term.

I believe, just on the basis of the discussions we've had today, that a major focus of that effort is going to be on programs that relate to the work done here; both on the proliferation programs as well as on the stockpile programs. I can't tell you today, and I don't think it's fair to the people that engage in that process, to try to speculate what the results will be. I think that, certainly, there is a strong commitment in the administration to making sure that our stockpile is reliable, safe and secure and that we make the necessary commitments to keep it that way. I take no responsibility more seriously than my responsibility to certify the reliability of that stockpile. Whatever the results are, it's going to be the budgets that are going to flow from this review will be the ones adequate to meet those challenges.

KRSN: Secretary Abraham, on a broad scale, the problems facing the Department of Energy in the past are well known. We have rolling blackouts in California and gas prices that are starting to go through the roof again, the heating oil prices on the east coast last winter were outrageous, the need for the NNSA to be forced upon the prior administration by Congress -- you in fact did call for the elimination of the Department of Energy at one time. What's your assessment of the prior administration, your predecessor Secretary Richardson? Do you think they mismanaged it and what are you specifically going to do to change what's happened in the past?

Abraham: Well, my assessment of the previous administration is one that I'll minimize here today. My goal is to move forward and not look backward. Clearly we have not had an actual energy plan and the failure to look comprehensively at our energy needs on a long-term basis presents us with some of the challenges you just mentioned; the blackouts in California, the inadequate supplies of petroleum for the summer. Our national energy plan is going to assess those challenges and figure out how we surmount them. I happen to believe it has to be a very balanced approach. There has to be balance between increasing production and supply on the one hand and efficiency and conservation on the other. There has to be a balance between the sources of energy. We simply can't meet the energy demand challenge of the next 20 years by only concentrating on natural-gas-burning electricity generation. That would call for such a huge increase in the use of natural gas that I think we would find ourselves confronting some of the scarcity problems that we're confronting today with respect to oil and other needs that we have. I think, therefore, we have to balance the sources. Coal has to play a key role. Natural gas plays a very key role over the next 20 years, but I think nuclear energy has to play a key role. And I think renewable energy has a role to play. And so, our approach is going to be balanced.

With respect to my position on the department—what I proposed and supported was legislation that would have taken the important functions of the department and reallocated them to other parts of the federal government, because I along with a lot of others who had assessed the DOE in the past, felt that the managerial structure wasn't

working. I believe, and the reason I supported the NNSA legislation is because I believe, that that legislation has solved a lot of those challenges. I think we can run this department as efficiently as the American people deserve it to be run. I intend to bring in a management team that will be able to do so.

KRSN: What is the most important thing you learned today on your trip?

Abraham: We're not done yet. We have about half of the tour still to go. What the trip today has so far done is reinforce my pride in and confidence in the people who work in our labs. These are, as I said, the crown jewels, in terms of American science. One of the reasons I wanted to come out as early as I could -- and I must say with all the Energy Department challenges we've had sitting on our desks from day one, I haven't been able to get on the road as much as I would like -- but I wanted to come here early to just reinforce my already-held opinion of the quality of work done here and to try to assess some of the needs so I could be a more effective participant in the reviews I mentioned.

Jennifer McKee: You spoke about certifying the plutonium pit production. Senator Domenici has criticized the pit production budget out of the latest DOE proposed budget. I spoke with one of his advisors last week who said the money allocated for pit production would make it virtually impossible to certify (on schedule).

Abraham: What I said to you was that I take seriously my responsibility to certify the stockpile. That's separate from the issues that relate to the certification of pit production that will happen. I am confident that we can meet the 2003 target date for the production that we're working on right now. Pete Domenici is one of my best friends; we work closely together. I was on the budget committee. I'm certain his voice will be heard and his priorities will be taken into consideration when the Senate appropriations process that relates to our department moves forward. But again, part of what we're doing is reviewing the process. Senator Domenici has obviously been in the chairmanship of the energy and water subcommittee and of the budget committee for some time and he's done his assessments. He needs to, and I think he does, appreciate the need for the new administration to make their own assessments as well. This first budget had to be essentially launched within the first couple of weeks of our taking office. It did not afford us the time that is now being taken to really try to analyze what our stockpile needs will be and what components of the stockpile and the defense programs division are ones that need emphasis. That will continue and when it's done it may affect next year's budget; if it happens soon enough it could even have an impact on this year's budget. We don't have the benefit, frankly, as a new administration, of some of the work that Pete and others who have been working on this and the Congress have had because they've been in office and we haven't.

AP: Mr. Secretary, how did you find the morale this morning given the wake of the couple of difficult years with the hard drives, the focus on national security ...

Abraham: The morale expressed to me has been very positive. I think the people here take pride in the work they do and I think they recognize the importance to our country of

the work they do. I also think the people here recognize that safety and security and scientific achievement can go hand in hand. I conveyed to them my confidence in the people here and their ability to both meet the security challenges as well as the professional challenges that we have as a nation. One of the goals that I intend to work on is to support NNSA's(?) efforts, working with General Gordon we're looking at these issues as an ongoing basis. But I think the people here have demonstrated today their top-notch talent and their morale is a very important part of why we see so many good things happening here.

Jeanne Lopatto, DOE: One more question is all we have time for it.

Chris Dissinger, Los Alamos Monitor: What level of commitment do feel the Department of Energy has to the communities where their facilities are located?

Abraham: I think that there's obviously a great deal of commitment to the communities. I'll be meeting later today with some community leaders to listen to their concerns so I can get a better understanding of them. I met this morning in Albuquerque with about 200 members of the small business community there who have an interest in working more directly with the department on some of the contracting work. Tonight sitting down with the community leaders in Los Alamos area to get a sense of some of the concerns they have and I hope to be as responsive as possible.

Thanks very much everybody. Appreciate it, sorry we were a little late.

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